

Drought ravages North American grain crop; 1989 forecast is grim

by Marcia Merry

The Jan. 13 crop report by the U.S. Department of Agriculture was greeted with some surprise by those grain supply "experts" and others deluded enough to fall for the USDA policy-line on the impact of the 1988 drought: that U.S. farmers will plant enough in 1989 to compensate for the big 1988 grain harvest shortfall, and that drought seldom occurs two years in a row.

Reality is just the opposite. The persistent dryness of 1988 is carrying over into the 1989 crop year. Planting prospects are much lower than the USDA forecasts. And climatologists foresee very little chance of adequate rain between now and April to make up for soil moisture deficits in vast parts of the grain belt.

The official USDA January crop report estimates that 12% more winter wheat has been planted so far this season than last year at this time—but this increase is markedly lower than what the USDA was expecting. After the USDA's report was released, wheat futures prices began to soar on the Chicago commodities exchange the week of Jan. 17, just as they did in the height of the summer drought in 1988.

In addition, much of the winter wheat crop is weak, and subject to "winterkill." Without adequate soil moisture when the crop goes in, the wheat plant's root systems are retarded. On top of this, the snow cover is scant so far this year, and the plants are subject to freezing and windburn—that is, "winterkill."

The USDA report notes dry weather conditions in the Dakotas, Kansas, Oklahoma, Texas, and Oregon. Crops in these states are rated mostly "fair."

The dry conditions in North America, coming together with the drought in the People's Republic of China, and hot and dry weather in the Australian and South American wheat belts, raises the prospect of drastic world wheat shortages in 1989-90. Unless there is a coordinated effort to compensate for grain harvest shortfalls by mobilizing for larger output in regions with favorable weather conditions—such as Western Europe or southern Africa—the conditions for famine are in the making.

Soviets to increase purchases

In the face of this situation in the West, the Soviet Union, faced with its own enormous shortfalls, is frantically lining up grain import commitments. In December, Moscow concluded a two-year agreement with the United States. It is now negotiating with Australia for a long-term grain agreement. France is delivering 2 million tons of cereals to Russia in January, on short notice.

Just from October to December 1988, the Soviets had ordered over 9 million tons of corn from the United States, and another 1.5 million tons of soybean products. Then in late December, the USDA made the Soviets an offer of 2 million tons of subsidized wheat, with more expected in 1989. Now the question is, where is this all going to come from? On what day will stocks "officially" run out?

In mid-January, the news was officially announced in Moscow that the 1988 Soviet harvest was only 195 million metric tons—a whopping 40 million tons below the state target, and at least 10 million tons below the recent annual harvest. The London *Financial Times* reports that Soviet wheat buyers are currently very active in attempting to line up scarce wheat.

Impact of the drought

Even the Dec. 30 report on the impact of the drought by a specially appointed presidential task force presented climatological maps showing the poor precipitation prospects for U.S. crops in early 1989. The report, titled *The Drought of 1988; Final Report of the President's Interagency Drought Policy Committee*, stated: "Subsoil conditions and weather patterns indicate that the probability of receiving necessary precipitation is almost nil in some parts of the Northern Plains. Parts of the eastern cornbelt may also experience low soil moisture prior to planting next year."

In an attempt to minimize the obvious implications of this for the U.S. and world food supply, the report states glibly: "In an economy as large and diversified as that of the United States, sectors most directly affected by the drought account

for a relatively small share of aggregate output." Those short of food are to be soothed by how little they count in aggregate output.

A survey of farmers conducted by *EIR* shows an even worse picture of crop prospects than the Jan. 13 USDA report dares to report. The USDA intends to continue to commit huge exports of grain to Russia, and to deny the scarcity of food stocks and rising food prices at home.

The following is a summary picture of the drought-stressed crop and livestock conditions in the High Plains, from north to south.

North Dakota: Grain and cattle farmer Gerald Kopp reports that soil moisture is adequate in only 2% of the state and short to very short in the remaining 98%. "Fall tillage was much reduced, as fear of soil erosion hindered farmers from undertaking their normal soil management in preparation for spring planting. Fall tillage is normally done in conjunction with fertilizer application. But potential fertilizer carryover in the soil has farmers stalling with a wait-and-see attitude, as application and investments may very well be wasted if it stays dry. Six to eight inches of rainfall are needed to replenish soil moisture to average levels. The fall rainy season didn't happen. And frozen soil does not absorb moisture from snowfall."

Federal climatologists say there is less than a 1% chance that sufficient precipitation will take place in this region by April.

This area is one of the world's leading producers of spring wheat—the kind used to blend with other wheats to bring up the quality of wheat used for baking. Therefore, the situation for crop production in 1989 is far worse now than it was in 1988. There was sub-soil moisture in 1988 for the crop to survive on. This is not the case now. The spring wheat harvest was down by 50% in most areas last year, but there was some crop. It is much worse now.

In the Dakotas, pregnancy tests of cattle herds are showing that the number of "open" cows (not pregnant) is far above normal. Sixteen to twenty percent open is not uncommon now, whereas normal should be 3-5%. This is a natural result of poor grazing, limited pasture, and poor water supplies. Ranchers cannot afford the feed costs of carrying over non-producing cows. These cows go to slaughter, and the national cow herd, already small, is shrinking further.

The average age of the national cow herd is the oldest in history. The USDA merely reports: "U.S. beef production will decline 7% in 1989, to the lowest since 1980" (*USDA Agricultural Outlook Summary*, Dec. 20, 1988). In January, the USDA announced that the ban on imports of Mexican beef will now be lifted. The ban was imposed in 1985 on the grounds of faulty Mexican meat inspection.

Minnesota: Southern Minnesota farmer Andrew Olson reports that the famous "snirt" storms—a grey mixture of snow and dirt—are not uncommon in the state this winter. Soils are very deficient in moisture, and dirt is swirling lo-

cally, and also blowing in from the Dakotas. Small drifts of dirt are showing up in the ditches along the road. In Olson's experience, farmers in Minnesota could usually count on a good moisture profile in the soil to carry through a corn crop, even during hot dry conditions in the summer. But now, there is serious sub-soil moisture deficiency. "We might be able to make it through if we get at least average precipitation for the rest of the winter, and spring." But without this, Olson is pessimistic about the prospects for the crop.

Iowa: Sub-soil moisture is seriously deficient in many parts of this leading corn state, except for the northwestern counties. In addition, the 1988 drought has had a continuing impact on livestock. Many hog farmers found this fall that hogs farrowed only 1-3 pigs, instead of 7 or more, because the searing summer temperatures prevented conception.

Kansas and Oklahoma: The dirt is also blowing in certain of the western parts of these states, part of the heart of the North American winter wheat belt. Oklahoma farm leader George Gentry reports that farmers in the western counties report on how "the fronts pass over, but there's no rain—only a trace." In this state, soil drifts are common in sandy areas, but not like the dirt drifts at present. Unlike the lead-up to the Dust Bowl era of the 1930s, when farmers were not using the soil conserving techniques of today (like "conservation tillage," allowing straw cover, not using the moldboard plow, planting windbreaks, rows of trees) today's farmers have, in the main, used these soil-saving farming techniques, so that when the drought conditions get as bad as they are now, the potential for calamity is much worse.

Because of the fall dryness, which impeded the wheat plants from putting down good root systems, farmers could not follow their usual schedule of putting stockers (350-400 pound heifers and steers) on the wheat pasture over the winter. Usually these animals can be grazed on the winter fields until early March, giving the farmer additional income, and not harming the spring growth of the wheat and the grain yield at harvest. But the lack of precipitation this year has prevented this in many areas, and also exposed the weakened wheat plants to winterkill.

Texas. Farmer Lester Dahlberg reports that the weather has been erratic and unfavorable for the wheat, and the grazing practices in western Texas. There, when the wheat was planted in September, the hurricane period brought adequate rain to bring the crop up. But then a dry spell set in. "The ground cracked. If there is too much space between rainfall, the soil can dry out." Finally, more rain arrived in December, but the winter wheat grazing schedule could not start until then, after the wheat root systems were extensive enough to bear foraging by the animals—especially sheep, which tend to pull up plants by the roots more than cattle. Dahlberg hopes that if there is sufficient rain in the next 30 days, crop prospects for this year will be favorable. For Dahlberg and thousands of others in Texas, last year's crop was lost. "It had to be disastered out. No one cut wheat."